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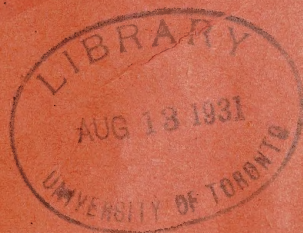
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THE DEPARTMENT OF TRADE AND COMMERCE
OTTAWA, CANADA

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Commercial Series No. 2

THE
FLOUR-MILLING INDUSTRY
OF CANADA



Price 5 cents

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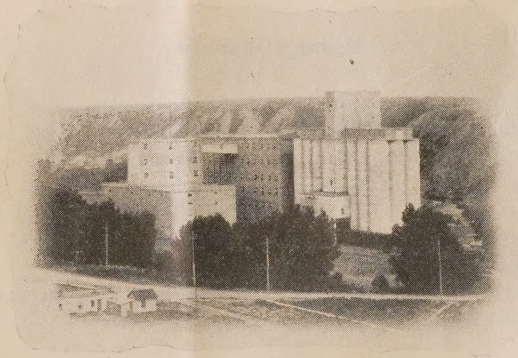
PRICE 5 CENTS

THE FLOUR-MILLING INDUSTRY OF CANADA

Among the productive industries of Canada one of the first in importance is that of flour-milling. During the years preceding the war, when this country was coming into its place as one of the important wheat-raising regions of the world, milling, too, was making steady, if less spectacular, progress. It was natural that a country raising wheat of the quality and quantity of that grown in Canada should develop a corresponding importance in the manufacture of flour and, as a matter of fact, the mills of Canada have more than kept pace with the production of their raw material.

Beginning of Industry

Flour-milling is the oldest of all Canadian manufacturing industries and almost the most important. Its history dates back to 1604, when operations began on a small scale in what is now the province of Nova Scotia. The credit for establishing this and many other of the first Canadian flour-mills belongs to the French. Development of hand and water-power mills proceeded steadily throughout all the period of the French regime in the settlements on the Atlantic seaboard and up the St. Law-



Flour Mill in Western Canada

rence river. Later when Upper Canada, now known as the province of Ontario, became the scene of English-speaking colonization it, too, developed a milling industry which provided flour and feed for the use of the pioneers. Ever since those early days milling has been an established factor in every agricultural province.

Opening of the West

When the last quarter of the nineteenth century brought about the settlement of the Prairie Provinces of Western Canada with railway communication from these to the Atlantic seaboard wheat-raising became the first and greatest occupation of many thousands of settlers who hurried in growing numbers to Manitoba, Saskatchewan and Alberta. The quality of the grain grown there was such that it immediately found an ample market in its raw and manufactured states.

Wheat Production

As showing the extent of the production of hard spring wheat in Canada the following table covering a series of years will be of interest:—

	Bushels.
1920..	263,915,000
1919..	165,544,300
1918..	164,436,100
1917..	211,953,100
1916..	242,314,000
1915..	360,187,000
1914..	140,958,000
1913..	209,262,000
1912..	204,280,000
1911..	208,366,000

The crop of the year 1920 was grown on an area of 16,841,174 acres scattered over a region that lies between the Red river and the Rocky mountains and from the boundary of the United States on the south to the Saskatchewan river on the north. This area contains roughly 728,233 square miles of prairie land, a great part of which is suitable for cultivation and will ultimately come into use. Many estimates as to the total amount of land in the three Prairie Provinces that is suitable for producing wheat have been made, the most conservative being that of the Canadian Government itself, which places the area of possible cultivation at 272,892,000 acres. With such a reserve of land behind it the milling industry of Canada may be expected to become increasingly important and productive as years go by.

Milling Capacity

In the meantime it may be noted that the flour-mills of Canada have already attained a capacity far beyond the needs of their domestic markets. As a matter of fact they are capable of providing flour enough per year to take care of the requirements of over thirty millions of people, while the population of their home market is not more than nine millions. The quality of their hard spring wheat flour is widely known, and they have, too, a considerable reputation in British markets for soft winter wheat flours made from grain grown in Ontario.

The distribution of the commercially important milling capacity may be shown by provinces as follows:—

	Number mills	Barrels, daily
Nova Scotia..	34	1,135
New Brunswick..	36	1,600
Prince Edward Island..	21	805
Quebec..	124	23,305
Ontario..	337	71,380
Manitoba..	33	14,500
Saskatchewan..	59	9,725
Alberta..	44	10,655
British Columbia..	2	620
	690	133,725

A reference to Canadian census returns would show that this table does not include all the plants that for statistical purposes are classed as flour-mills. It does, however, include all that are commercially important, and has been purposely limited to such with the idea of giving overseas buyers a more exact idea of the capacity that plays any part in exporting trade.

Capacity by Cities

By cities and milling centres this capacity is again in part located as follows:—

	Barrels, daily
Montreal, Que.	18,000
Keewatin-Kenora, Ont.	12,500
Port Colborne, Ont.	12,000
Winnipeg-St. Boniface, Man.	8,500
Medicine Hat, Alta.	3,900
Fort William, Ont.	3,000
Toronto, Ont.	3,000
Moosejaw, Sask.	2,800
Calgary, Alta.	2,800
Goderich, Ont.	2,500
Saskatoon, Sask.	2,000
Portage la Prairie, Man.	1,800
Chatham, Ont.	1,600
London, Ont.	1,500
Peterboro, Ont.	1,500
Brantford, Ont.	1,450
Brandon, Man.	950
St. Thomas, Ont.	800
Guelph, Ont.	700
Lindsay, Ont.	700
St. Mary's, Ont.	700
Tillsonburg, Ont.	650
Renfrew, Ont.	600
Thorold, Ont.	600
Vancouver, B.C.	600
Galt, Ont.	550
Oak Lake, Man.	500
Stratford, Ont.	500
Total.	86,700

The remaining capacity is in country mills of smaller output scattered over all the farming regions of the eastern and western provinces. Many of these engage more or less regularly in exporting, and most of them produce a flour that gives satisfaction to buyers.

Geographical Distribution

The geographical distribution of this milling capacity has been governed largely by the necessity of keeping as much as possible within easy reach of the Atlantic seaboard, from whence a great deal of the exporting business is carried on. For this reason Montreal was very early in the field as a milling centre, and is still the first in importance among Canadian cities in this respect. Not only does it control a high percentage of the business done in the season of navigation from its own port, but it is also favourably situated for reaching Halifax and St. John (which are located on the Atlantic ocean) in the winter months. Toronto is almost equally well located for this purpose, and its milling offices control a large part of the exports from plants scattered over the area tributary to the lake ports of Georgian Bay. The table showing distribution of mills by provinces credits Ontario and Quebec with over 75 per cent of the total milling capacity of the Dominion, and a good part of the exporting business of these mills is transacted in the cities of Montreal and Toronto, while many mills of the western provinces find it convenient to handle their overseas trade through the same centres.

A further study of the table of capacities by provinces will emphasize the fact that milling has its greatest density in provinces close to the Atlantic seaboard. Being on the direct route to overseas markets, these have naturally developed this industry as supplies of wheat increased, at the same time reaching out for markets wherever business in flour could be done. An important secondary reason for this development is to be found in the fact that a considerable quantity of good soft winter wheat is

grown in the older parts of Ontario, for which there is an outlet in the demand for the flour in Glasgow and other British markets. By way of tabular illustration of this feature statistics showing the annual production of wheat in the five central provinces with possible annual milling consumption of wheat will be interesting. The figures are as follows:—

	Wheat grown Bush.	Milling capacity Bush.
Quebec..	4,163,000	31,455,000
Ontario..	22,629,000	96,363,000
Manitoba..	37,879,000	19,575,000
Saskatchewan..	138,340,000	13,162,000
Alberta..	87,696,000	14,508,000
	<hr/> 290,707,000	<hr/> 175,063,000

As against the milling capacity shown by these figures, and it should be remembered that the table covers only the provinces that are most active in the production of wheat and flour, the amount of wheat ground in a normal year would not exceed 65,000,000 bushels, or about one-third of the possible output. This comparison will give a general idea of the reserve capacity, and affords buyers of flour in other countries means of knowing the possibilities of Canada as a source of supply for flour.



Cross-bred varieties of Cereals.

Exports of Flour

As regards the exports of flour from Canada during a series of recent years, the following tables show totals:—

1919-20..	5,572,688
1918-19..	9,663,657
1917-18..	10,826,633
1916-17..	7,988,602
1915-16..	7,897,453
1914-15..	4,897,129
1913-14..	4,666,267
1912-13..	4,373,872
1911-12..	4,273,472

By countries these exports divide as follows:—

To—	1918-19 Brls.	1917-18 Brls.	1916-17 Brls.
United Kingdom..	5,254,254	6,604,131	4,030,978
Bermuda..	29,611	17,398	16,166
British South Africa..	1,525	14,661	126,614
British East Africa.. . . . .	.....	310	1,189
British West Africa.. . . . .	.....	115	200
British Guiana..	125,545	91,915	142,404
British Honduras..	2,300	.....	.....
British West Indies..	573,580	410,230	348,546
Fiji Islands.. . . . .	.....	51	3,250
Gibraltar..	15,357	.....	.....
Hong Kong.. . . . .	.....	.....	9,006
Newfoundland..	253,632	346,014	338,877
Alaska..	1	65	.....
Belgium..	57,267	4,037	3,320
Cuba..	2	.....	3,458
Danish West Indies.. . . . .	.....	.....	1,320
Dutch Guiana..	50	300	20
Dutch West Indies.. . . . .	.....	75	1,625
Dutch East Indies.. . . . .	.....	.....	606
France..	2,671,975	1,795,668	1,748,245
French Guiana..	600	50	.....
French West Indies..	242	6,373	3,323
Greenland and Iceland..	4	5	.....
Hayti.. . . . .	.....	.....	311
Holland.. . . . .	.....	53,012	3,538
Italy..	77,319	42,471	291,120
Japan.. . . . .	.....	.....	300
Mexico..	35	.....	.....
Miquelon-St. Pierre..	3,391	3,436	2,994
Norway.. . . . .	.....	10,270	130,796
Port. Africa.. . . . .	.....	.....	477
Russia..	129,949	.....	.....
San Domingo.. . . . .	.....	2,844	2,646
United States..	8,800	518,632	184,841
Venezuela.. . . . .	.....	9,085	29,553
	<u>9,205,439</u>	<u>9,931,148</u>	<u>7,425,723</u>

The foregoing is a list of markets of which any industry might be proud. It represents much labour and careful study of foreign trade conditions on the part of Canadian mills. Only the fact that a great war interfered with the progress of the business has prevented larger and more regular growth in shipments to some of the countries shown. That this growth may now take place there is good ground for believing. When foreign exchange is restored to something like its normal state the process of building up new business in these and other markets will be resumed.

In the matter of quality Canadian flour has nothing to fear from competition. It is milled in modern plants of the highest efficiency and is remarkable for its baking quality and food value.

While it is true that a good part of the flour shipped in war years was used for war purposes and, therefore, may be no measure of the possible demand from outside markets in times of peace, there can be no question as to the value of Canada's contribution to the needs of the armies and civil populations in Europe at the time, and it is safe to assume that the quality of the flour will be remembered now that happier and more peaceful needs are all that remain to make calls upon the powers of this industry.

Cheap Power Abundant

One of the chief factors in the development of milling in Canada has been the abundance of readily available water-power. Few of the big milling plants are now dependent upon steam, since water-driven electrical equipment has largely supplanted

that means of operation. Further, it should be said that the country is rich in unused power resources that are certain to be brought into service in years to come.

Transportation

In addition to the milling capacity described and an unlimited supply of wheat to sustain and support the same, Canada has railway and ocean shipping facilities that meet the needs of overseas markets to the fullest extent. Three lines of trans-continental railways of modern construction and equipment, two of them owned by the Government itself, provide ready access to both Atlantic and Pacific oceans from every settled part of the country. These roads were built with a view to the transportation of grain and grain products for export, their eastern terminals for summer



Wheat Farm in Saskatchewan. Preparing land for seed.

traffic being located at Montreal and Quebec, on the St. Lawrence, and the winter ports at St. John and Halifax, on the Atlantic seaboard, while Vancouver and Prince Rupert, in British Columbia, supply excellent shipping facilities on the Pacific coast. Finally, as a connecting link in the chain of communication with other countries, the Government has established, and now operates for its own account, a line of ocean freight vessels that make regular sailings to the ports of Great Britain and European countries, South Africa and the West Indies, South America, Australia, New Zealand, India, Ceylon, Straits Settlements, and other Far Eastern ports, carrying flour and wheat and other Canadian products as the needs of the markets demand, while a number of private shipping companies are also catering to the Canadian cargo trade.

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